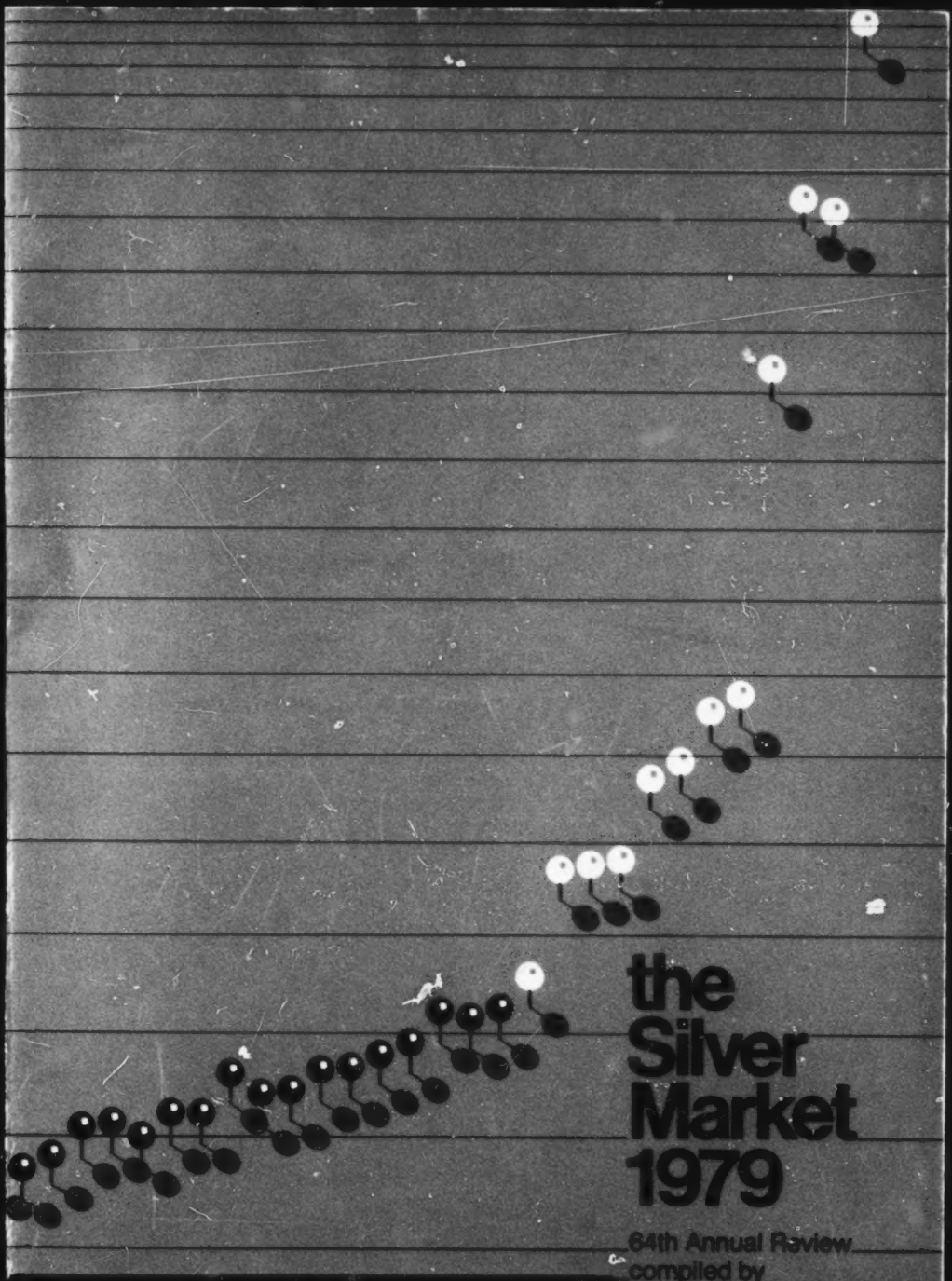

the Silver Market 1979

64th Annual Review
compiled by
Handy & Harman

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the Silver Market 1979

64TH ANNUAL REVIEW COMPILED BY HANDY & HARMAN

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Handy & Harman
850 Third Avenue, New York, NY 10022

Highlights of The Silver Market 1979

There is no shortage of silver for industrial uses; the question is entirely one of price.

Silver bullion stocks are not the only source from which industry can draw in the future. However, the short range outlook for silver prices holds little hope for stability.

The year 1979 was unquestionably the most chaotic period in the entire history of the world silver market.

Not only did the price reach a new all-time high of more than four times the previous record, but the highly volatile conditions even exceeded the substantial fluctuations which have been characteristic of the silver market for the last decade.

The 1979 average New York silver price of 1109.40¢ was the highest in history and represented a 105% increase over the previous year.

The spread between the low of 596.1¢ and the high of 2800.0¢ amounted to 2203.9¢, equivalent to a change of 370 percent. Silver prices continued to soar to new peaks in January 1980, reaching levels of nearly $50 an ounce.

For the past several years, attempts to predict short range price movements for silver have been largely unsuccessful because of the behavior of speculators and investors who have dominated the market.

During 1979, trading in silver on COMEX was dominated by speculators whose actions were based on factors other than

the economic forces of supply and demand for silver as an industry commodity. This buying unquestionably had a very significant effect on the silver market and, therefore, on the prices paid by commercial users.

Consumption of silver for industrial uses in the United States increased about 3% during 1979 to an estimated 165,600,000 ounces from the previous year's level.

However, we call particular attention to the sharp decrease in quarterly consumption which occurred during the year as prices increased.

World consumption of silver during 1979 for industrial and coinage uses combined, excluding Communist-dominated areas, was about 432,800,000 ounces, virtually unchanged from our revised 1978 figure.

Industrial consumption was about 410,000,000 ounces, an increase of about 2% from the previous year.

World mine production of silver, excluding Communist-dominated areas, amounted to about 271,000,000 ounces during 1979, an increase of 2% over our revised 1978 figure.

Silver supplied from secondary sources during 1979 declined 15% to 131,700,000 ounces, compared with 154,500,000 ounces in 1978.

For the longer range there are a number of significant influences to be considered. Some of these influences are bullish and suggest higher prices; and some are bearish, suggesting the possibility of downward reactions.

On balance, it seems to us that the lessening of pressure from industry and the expanded flow of silver from secondary sources, hopefully combined with some progress in international monetary affairs, could dampen the extreme speculation of the last year.

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Review of the Silver Market for 1979

The year 1979 was unquestionably the most chaotic period in the entire history of the world silver market. Not only did the price reach a new all-time high of more than four times the previous record, but the highly volatile conditions even exceeded the substantial fluctuations which have been characteristic of the silver market for the last decade. The table on page 26 sets forth a comparative record of high, low, and average silver prices for both the New York and London spot markets for the past ten years. The 1979 average New York silver price of 1109.40¢ was the highest in history and represented a 105% increase over the previous year. Never in history has the New York spot market undergone such wide fluctuations. The spread between the low of 596.1¢ and the high of 2800.0¢ amounted to 2203.9¢, equivalent to a change of 370 percent. Although this Review deals with 1979 events, it is appropriate to note that silver prices continued to soar to new peaks in January, 1980, reaching levels of nearly $50 an ounce.

For the past several years attempts to predict short range price movements for silver have been largely unsuccessful because of the behavior of speculators and investors who have dominated the market. Nevertheless, a tabulation of the most significant influences on the market during 1979 may be useful.

(1) Silver has for many years been in an increasingly strong statistical position. World demand for coinage and industrial uses has consistently exceeded new production by very large amounts. In 1979, for example, new production satisfied only about half of industry's needs. The balance therefore was obtained from secondary sources of previously accumulated stocks.

(2) An important secondary source was lost when India decided to ban export of silver on February 20, 1979.

In the past, Indian exports helped to produce an equilibrium between world supply and demand. In 1977 and 1978, Indian exports declined nearly 50 percent and 1979 exports are down nearly 75 percent from the 1976 level. We estimate that since 1976 nearly 80 million ounces of silver were used from previously accumulated stocks because of the reduction of Indian exports.

(3) Although mine production increased, this modest gain was offset by a reduction of silver supplied from salvage and recycling operations.

(4) Demand for silver by speculators and private investors increased dramatically during 1979. The apparent impetus for this rapid escalation in demand was the reassertion of silver's role as an alternate investment to gold and the numerous economic and political problems during the year. Silver prices skyrocketed in response to acceleration of worldwide inflation; the deteriorating dollar; the energy crisis with the oil supply situation worsening and soaring prices; the unresolved issue of the hostages in the U. S. Embassy in Teheran; Iran's attempt to withdraw its dollar balances and the U. S. Government's action of freezing the Iranian assets; and the escalating fighting in Afghanistan.

During 1979, trading in silver on COMEX was dominated by speculators whose actions were based on factors other than the economic forces of supply and demand for silver as an industry commodity. According to frequently repeated rumors, a number of wealthy individuals embarked on a program involving purchases of very substantial quantities of silver. Although these rumors were never confirmed, large purchases for private accounts did take place on COMEX during the year. This buying, which was often surprisingly aggressive, took place in perhaps the world's most visible arena, the New York Commodity Exchange, and unquestionably had a very signifi-

cant effect on the silver market and, therefore, on the prices paid by commercial users.

Prices climbed throughout the year, spurred on by speculative activity and the increasing uncertainty in world economics. New records became commonplace and the year closed at 2800.0¢ which established a new all-time high. The dramatic developments of 1979 even exceeded the performance of the market in 1974. In just one year the price of silver went from a low of 596.1¢ an ounce to 2800.0¢ an ounce. This performance must be characterized as truly astounding. Furthermore, the high of 1979 scarcely lasted over the year-end and was quickly surpassed by substantial margins in the opening days of 1980.

Silver in the United States

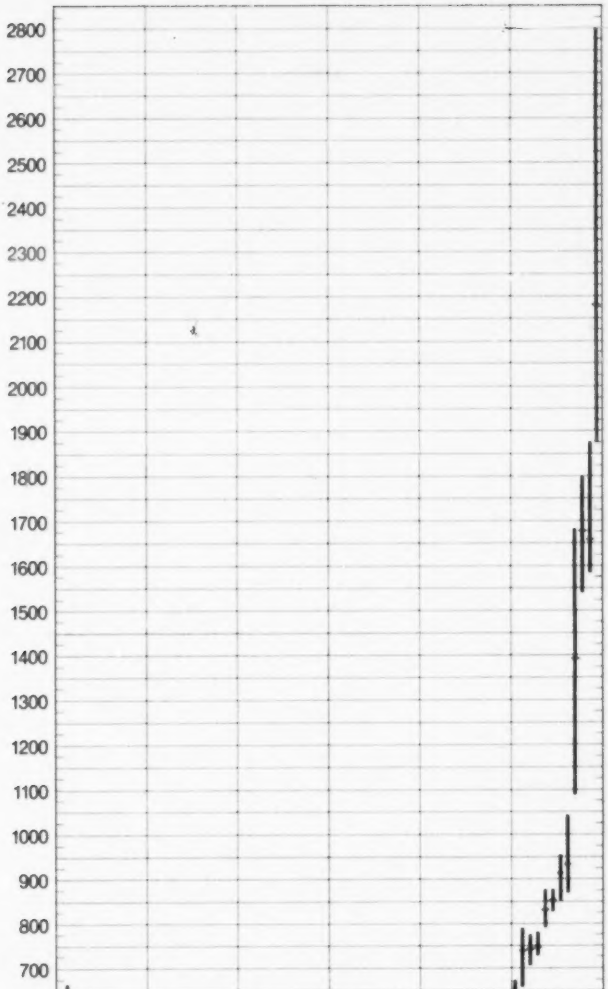
The New York Market: Spot prices in the New York market are substantially determined by prevailing quotations on the New York Commodity Exchange, generally referred to as COMEX. The Exchange provides a broad trading market in silver futures contracts, and major suppliers of silver to industrial users, including producers and dealers, base their offering prices on COMEX quotations. As a result the Handy & Harman price, which is issued at Noon each business day, usually reflects the level of prices on COMEX at that time. Unless otherwise specified, all references to the New York price in this section refer to the Handy & Harman quotation. The chart on page 8 shows the monthly high, low and average of the daily silver prices as published by Handy & Harman for the years 1974 through 1979.

As demonstrated by the accompanying chart, the New York silver price increased dramatically throughout the year. The year opened with the price at 596.6¢ an ounce, and on January 11 it dipped to 596.1¢, which proved to be the low for the year. Thereafter, an upward price trend developed and carried

New York Silver Prices Monthly Ranges

(Cents per troy ounce)

Key: High
Average
Low



the quotation to 2800.0¢ by December 28, which was the high for the year.

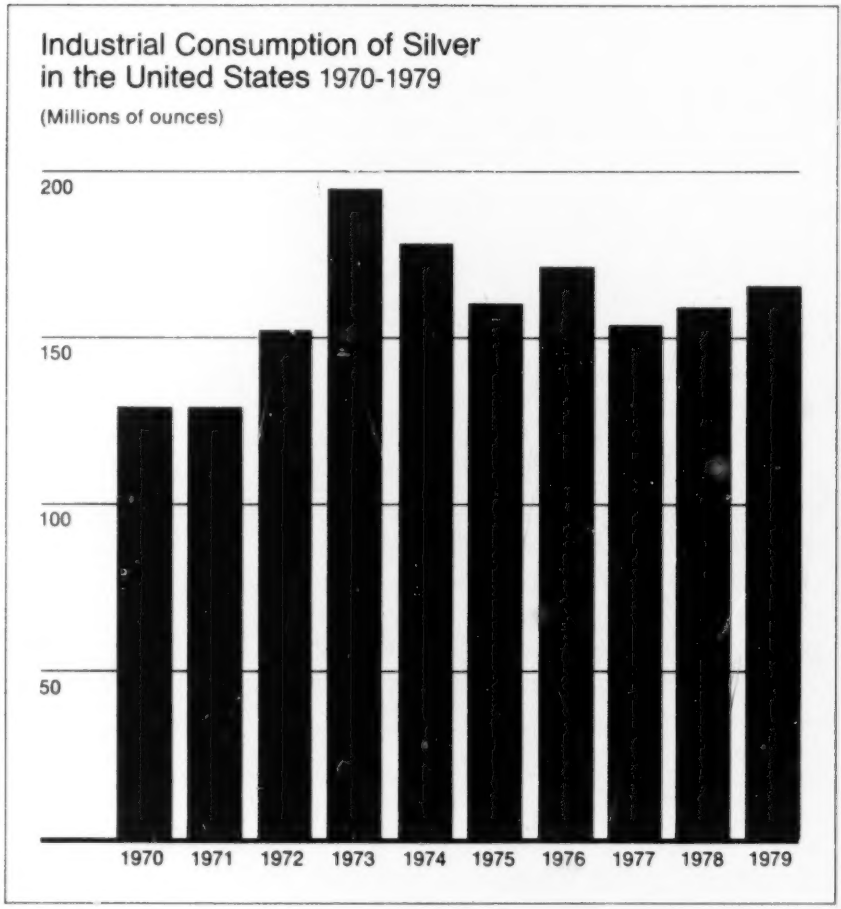
Price Definition: The price referred to in the above market discussion is the New York Silver Price as published daily by Handy & Harman. The definition of this price is as follows:

> "The daily silver quotation reported by Handy & Harman, in cents and tenths of a cent per troy ounce, is the lowest price at which offers can be obtained by Handy & Harman for silver in commercial bar form, in accordance with ASTM Designation: B413-69 Specification for Refined Silver, Grade 99.90 for nearby delivery at New York, in quantities sufficient to meet its requirements."

The New York Commodity Exchange designates certain brands of silver which are acceptable as good delivery against contracts on the Exchange, but it does not require conformity to ASTM specifications. It requires only that such silver be no less than 99.9% pure without reference to impurities. The ASTM specifications set maximum limits on impurities, and this is very important for commercial users. Therefore, the price published by Handy & Harman is somewhat different from comparable quotations on COMEX.

Silver Futures: Trading in silver futures on the New York Commodity Exchange set new records in 1979. A total of 4,080,619 contracts of 5,000 ounces each were traded, amounting to 20.4 billion ounces of silver. This is an increase of 7%, compared with 19.1 billion ounces traded in 1978. Stocks in COMEX-licensed vaults at the end of 1979 amounted to 73,800,000 ounces, up substantially from the 58,200,000 ounces at the end of 1978.

The volume of trading on the Chicago Board of Trade also set new records. A total of 2,720,589 contracts of 5,000 ounces each were traded, equivalent to about 13.6 billion ounces of silver compared to 13.3 billion ounces for the previous year.



Stocks in approved CBT vaults at year-end amounted to 58,300,000 ounces, compared with 59,900,000 ounces at the end of 1978.

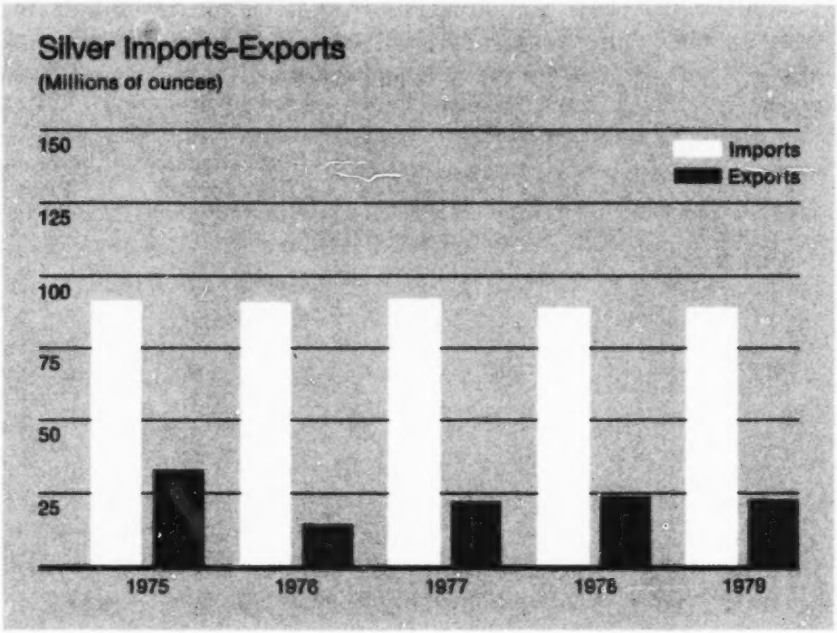
Industrial Consumption: Consumption of silver for industrial uses in the United States increased about 3% during 1979 to an estimated 165,600,000 ounces from the previous year's level. However, we call particular attention to the sharp de-

crease in quarterly consumption which occurred during the year as prices increased. The following table reflects the estimated U. S. consumption of silver and the average price for 1979.

	Thousands of Troy Ounces	Average Price
First Quarter	51,779	$ 7.04
Second Quarter	43,040	8.13
Third Quarter	37,324	10.81
Fourth Quarter	33,400	18.39
Total for Year	165,543	$11.09

In the statistical table on page 24 we have broken down our estimates of major categories of use, compared with the last four years. As in the past, our estimates are based on data published by the Bureau of Mines. There were a number of shifts in 1979 compared with 1978 among the various categories of usage. We call particular attention to the sharp increase in the consumption of silver for the "Contacts and conductors" and "Electroplated ware" categories. "Contacts and conductors" increased 18% to 36,500,000 ounces and "Electroplated ware" increased 27% to 9,300,000 ounces. These gains were partially offset by declines in the "Sterling ware" and "Jewelry" categories.

Imports and Exports: Total imports of silver into the United States during 1979 were about 88,000,000 ounces, a slight increase from the previous year. Imports from Canada dropped rather sharply to 27,000,000 ounces in 1979 from 41,900,000 ounces in 1978. Imports from Mexico increased to 24,000,000 ounces, about 25% higher than the previous year. Shipments from Peru amounted to 18,000,000 ounces, about unchanged from the previous year, and all other countries supplied about 19,000,000 ounces.



Exports during 1979 amounted to about 23,000,000 ounces and were about the same as our revised 1978 figure. Exports to the United Kingdom were lower and totaled 5,200,000 ounces. This compares with 6,100,000 ounces shipped in the previous year. In addition, about 7,300,000 ounces were shipped to Japan, about 5,000,000 ounces were shipped to Switzerland and 5,500,000 ounces to various other countries.

Legislative Developments: Once again the Congress failed to take action on pending legislation authorizing disposal of 139,500,000 ounces of silver held in the strategic stockpile. The question of silver stockpile objectives has been under consideration since 1973. All indications are that there still is strong Congressional opposition to the disposal of the silver stockpile. However, there remains the possibility that the next

Congress may take action, perhaps on the basis of some compromise regarding quantities and timing of sales. Meanwhile, this silver continues to be a potential source for United States industry.

Review of Other Markets

World consumption of silver during 1979 for industrial and coinage uses combined, excluding Communist-dominated areas, was about 432,800,000 ounces, virtually unchanged from our revised 1978 figure. Industrial consumption was about 410,000,000 ounces, an increase of about 2% from the previous year. The increases recorded in the United States and West Germany were offset by declines in the United Kingdom and Italy. Coinage consumption declined somewhat to 22,800,000 ounces from 29,000,000 ounces in 1978.

World mine production of silver, excluding Communist-dominated areas, amounted to about 271,000,000 ounces during 1979, an increase of 2% over our revised 1978 figure. Mexico, the world's leading producer of silver, increased its output 10% in 1979 to 56,000,000 ounces. Mine production in the next three largest producing countries, United States, Canada and Peru, remained unchanged and was approximately 38,500,000 ounces each.

Silver supplied from secondary sources during 1979 declined 15% to 131,700,000 ounces compared with 154,500,000 ounces in 1978. The largest reduction was in silver supplied from India which decreased about 26% during 1979 to an estimated 33,500,000 ounces. Refining production of silver from salvage and other miscellaneous sources amounted to 80,500,000 ounces according to our estimates. This represents a decline of about 7% from 1978.

United Kingdom: Consumption of silver for industrial uses in the United Kingdom during 1979 was about 26,500,000 ounces, a decrease of approximately 9% from 1978. Imports for the

year in refined and unrefined form are estimated at 36,500,000 ounces, a decrease of 13%. The largest amount came from West Germany which supplied approximately 6,000,000 ounces. Other significant sources were India, the United States, Mexico and Australia.

Exports of silver for 1979 were about 35,000,000 ounces of which about 12,000,000 ounces were shipped to France. Other countries included the United States, West Germany, France, Switzerland and Italy.

The daily quotation for prompt delivery issued by the London Silver Market ranged from a high of 1446.8 pence, reached on December 3, 1979, to a low of 296.4 pence, established on January 5, 1979. In dollar terms the high was 3220.0 cents on December 31, 1979, and the low was 593.5 on January 12, 1979. These prices were based on sterling exchange rates in effect at the time.

West Germany: Industrial consumption of silver in West Germany during 1979 amounted to about 37,100,000 ounces according to our estimates. This represents an increase of about 40% from the 1978 level, which was unusually low. Coinage consumption amounted to about 3,700,000 ounces, about the same as the previous year. Domestic mine production for 1979 amounted to about 600,000 ounces, a decrease from the previous year, and smelter production from foreign ores amounted to 15,600,000 ounces. To our knowledge, no German coins were melted, refined or used by industry in 1979.

Imports in both refined and unrefined form totaled about 42,300,000 ounces, of which about 4,800,000 ounces came from the United Kingdom; 10,900,000 ounces from Switzerland; 3,200,000 ounces from Belgium; and the balance from various other countries. Exports amounted to an estimated 21,300,000 ounces with the principal countries of destination being Italy, Sweden and the Netherlands.

France: Consumption of silver for industrial uses in France during 1979 amounted to about 21,500,000 ounces, down 3% from 1978. Coinage consumption was about 7,700,000 ounces compared with about 11,100,000 ounces in the previous year. Production amounted to 15,600,000 ounces, almost double the 1978 level of 7,400,000 ounces. Government stocks of about 2,900,000 ounces were virtually unchanged from the previous year.

Imports of silver into France during 1979 amounted to about 30,700,000 ounces, down 9,000,000 ounces from our revised 1978 figure. The principal countries from which silver arrived were the United Kingdom, which shipped some 11,400,000 ounces; Switzerland, 3,700,000 ounces; Belgium, 2,900,000 ounces; Mexico, 1,400,000 ounces; and various other countries, the balance of 11,300,000 ounces. Exports totaling 12,200,000 ounces were down from the previous year's amount of 13,600,000 ounces. The principal countries to which silver was exported were the United Kingdom, Spain and Switzerland.

Canada: Production of silver in Canada during 1979 amounted to about 38,100,000 ounces, a decline of 4% from 1978. The country continues to be one of the largest producing nations in the non-Communist world. Silver consumed for industrial uses amounted to about 9,200,000 ounces, an increase of 2% over 1978. Coinage consumption amounted to 300,000 ounces in 1979, the same as the previous year.

Imports of silver into Canada were virtually unchanged for the year and amounted to 1,100,000 ounces. Exports for 1979 are estimated at about 43,500,000 ounces, most of which was shipped to the United States. This compares with 47,000,000 ounces exported during the previous year.

Mexico: Silver production in Mexico in 1979 amounted to 56,000,000 ounces, an increase of 10% over our revised figure of 50,800,000 ounces for 1978. Mexico continues to be the

number one producing nation in the world. Industrial consumption in Mexico amounted to about 6,200,000 ounces, an increase of 7% over 1978. Coinage consumption amounted to about 3,000,000 ounces, which was down substantially from the 7,300,000 ounces used the previous year. Government stocks at year-end were approximately 7,000,000 ounces, virtually unchanged from the previous year.

Exports from Mexico during 1979 amounted to 39,000,000 ounces. About 20,000,000 ounces were shipped to Europe, and the balance to the United States and Japan.

Japan: Japan's silver consumption has continued to expand and that country is now the second largest world silver user. Consumption of silver for industrial uses in Japan increased about 2% during 1979 to an estimated 65,500,000 ounces. We estimate that about one-half of the Japanese consumption is for photographic materials.

Once again, no silver was used in coinage and the Government has no plans to mint coins containing silver in the future. Mine production was about 4,000,000 ounces, about the same as the previous year. Government stocks are estimated to be about 2,500,000 ounces at the end of 1979, a decrease of about 2,000,000 ounces compared with 1978.

India: For many years India has been an important source of silver to world markets. However, silver is not produced in India and whatever silver is exported comes out of stocks which were accumulated through the centuries. The Government of India is conscious of this fact and hence they attempt to regulate the export of silver. On February 20, 1979, the Government decided to ban export of silver. Consequently, exports of silver dropped to 14,500,000 ounces during 1979, a reduction of 43% from the previous year. Consumption of silver in India amounted to 19,000,000 ounces, a decrease of

5% from 1978. This represented a total contribution in 1979 of 33,500,000 ounces to the market of the non-Communist world, compared with 45,500,000 ounces in 1978. Indian Government monetary stocks of silver are reported to have increased to 67,500,000 ounces from the previously reported amount of 3,400,000 ounces. This increase of 64,000,000 ounces occurred during the 1977 calendar year.

Summary of World Stocks

The following table summarizes on a world-wide basis, excluding Communist countries, reported and unreported stocks of silver both in bullion and coin. In some cases, figures are available from published reports, both governmental and private, at least on a preliminary basis. In the case of "Stocks of foreign governments," only partial information is reported, and there are no figures available for what we term "Conjectural stocks."

	(millions of ounces)		
	1979	1978	Increase (Decrease)
Reported private stocks:			
New York Commodity Exchange	73.8	58.2	15.6
Chicago Board of Trade	58.3	59.9	(1.6)
London Metal Exchange	13.1	23.0	(9.9)
Industry stocks in the U.S.	23.7(a)	28.8	(5.1)
Total	168.9	169.9	(1.0)
U.S. Government stocks:			
U.S. strategic stockpile	139.5	139.5	—
U.S. Defense Department	5.2(a)	6.3	(1.1)
U.S. Treasury (Mint)	39.1(a)	39.2	(.1)
Total	183.8	185.0	(1.3)
Stocks of foreign governments (estimated)	138.0	143.0	(5.0)
Conjectural stocks:			
Unreported bullion stocks in the U.S. & abroad	50.1	66.0	(15.9)
U.S. silver coins potentially available	712.0	716.0	(4.0)
Foreign silver coins potentially available	34.5	45.0	(10.5)
Total	796.6	827.0	(30.4)
Total world silver stocks	1,287.3	1,324.9	(37.6)

(a) As of September 30, 1979

The Outlook

There is no shortage of silver for industrial uses; the question is entirely one of price. Silver bullion stocks are not the only source from which industry can draw in the future. However, the short range outlook for silver holds little hope for stability. Probably the best that can be expected is that conditions in 1980 will not be as chaotic as last year. Near term price fluctuations will depend on speculative reaction to economic, monetary, and political developments as they occur. The effect of such reaction has always been unpredictable both as to timing and extent. However, it seems safe to conclude from past evidence that frequent and even violent price fluctuations will continue to occur in the future.

For the longer range there are a number of significant influences to be considered. Some of these influences are bullish and suggest higher prices, and some are bearish suggesting the possibility of downward reactions.

Significant bullish influences are as follows:

(1) Worldwide inflation and all of the international monetary uncertainties which go with it will probably continue and may intensify in 1980. These conditions create flights from currencies in general, primarily into gold, but also very importantly into silver.

(2) Of all the precious metals, silver is in the strongest position statistically. New production accounts for only a portion of the silver used each year, and the market must draw heavily on secondary sources.

(3) A substantial portion of the unreported overhang of privately-held silver bullion, which was built up during the years prior to 1971, when the U.S. Treasury was disposing of its large stocks, has been mostly absorbed. We estimate that since 1970 nearly 300,000,000 ounces of silver were obtained from these stocks. So, while

further reduction may indeed take place, at some point an irreducible minimum will be reached.

Offsetting these bullish influences are some factors which might be considered as bearish in that they may tend to bring about lower prices. These are as follows:

(1) Most of the leading economists are predicting a slowing in business activity during 1980, and if this comes about, industrial demand for silver will certainly decline. In addition, it appears inevitable that consumption of silver for sterling ware and jewelry will drop significantly if present price levels are maintained.

(2) It has been demonstrated that old United States silver coins will come into the market in substantial quantities with sufficient price inducement. These coins constitute one of the largest untapped reservoirs for the future.

(3) It is generally agreed that private holdings of silver in India are extremely large. We have made no attempt to include any conjecture as to amount in our summary of world stocks. The supply of silver to world markets has been restricted in recent years because the Indian Government has a comfortable foreign exchange position. However, we are advised that unauthorized exports of Indian silver are coming out of the country at an ever increasing rate. If prices remain at present levels, the flow of silver from India to world markets may increase in the future.

(4) The possibility of the release from stockpile and subsequent sale of 139,500,000 ounces of silver could temper speculator expectations and would certainly be an important addition to supplies.

(5) Mine production has increased each year since 1973 and Mexico, the world's leading silver producer, plans to further expand its output. In addition, silver from salvage

and recycling operations is continuing to flow into the market in increasingly large quantities.

To summarize, large quantities of secondary silver have been absorbed in past years and such supplies will continue to be needed in the future. Nevertheless, substantial sources still remain, of which the largest outside of India is the old United States silver coinage, and an outflow of metal from this particular source is now taking place. On balance, it seems to us that the lessening of pressure from industry and the expanded flow of silver from secondary sources, hopefully combined with some progress in international monetary affairs, could dampen the extreme speculation of the last year.

February, 1980.

World Silver Consumption

(excluding Communist-dominated areas)
(millions of ounces)

	1979	1978	1977	1976	1975
Industrial uses:					
United States	165.6	160.2	153.6	170.5	157.7
Canada	9.2	9.0	8.8	9.5	10.6
Mexico	6.2	5.8	5.5	6.5	5.6
United Kingdom	26.5	29.0	32.2	28.0	28.0
France	21.5	22.2	20.6	19.0	21.2
West Germany	37.1	26.4	59.5	50.8	38.9
Italy	33.0	41.8	33.8	32.1	28.9
Japan	65.5	64.3	63.2	60.7	46.4
India	19.0	20.0	17.6	18.0	13.0
Other countries	26.4	25.8	22.7	26.9	26.5
Total industrial uses	410.0	404.5	417.5	422.1	376.8
Coinage:					
United States	.1	.1	.4	1.3	2.7
Canada	.3	.3	.3	8.4	10.4
Austria	5.0	3.5	3.0	6.9	13.4
France	7.7	11.1	6.9	6.7	5.2
West Germany	3.7	3.6	2.6	2.9	4.3
Other countries	6.0	10.4	6.0	3.5	2.8
Total coinage	22.8	29.0	19.2	29.7	38.8
Total Consumption	432.8	433.5	436.7	451.8	415.6

Note: Figures for 1979 are preliminary. Some of the figures for 1975 through 1978 as published in last year's Review have been revised.

World Silver Supplies

(excluding Communist-dominated areas)

(millions of ounces)

	1979	1978	1977	1976	1975
New production:					
Western Hemisphere:					
United States	39.5	39.4	38.2	34.3	34.9
Canada	38.1	39.9	42.8	41.2	39.7
Mexico	56.0	50.8	47.0	42.6	38.0
Peru	38.5	37.0	36.1	35.6	37.5
Other countries	23.5	22.3	20.5	18.8	18.9
Total	195.6	189.4	184.6	172.5	169.0
Outside the Western Hemisphere:					
Australia	22.9	24.9	27.4	25.1	23.3
Other countries	52.5	50.7	55.4	49.0	47.8
Total	75.4	75.6	82.8	74.1	71.3
Total new production	271.0	265.0	267.4	247.0	241.5
Other sources of supply:					
From U.S. Treasury	.1	.1	.4	1.3	2.7
From stocks of foreign gov'ts	3.1	8.4	5.0	7.0	18.4
From demonetized coin	14.5	14.0	23.0	55.0	35.0
From Indian stocks	33.5	45.5	40.6	70.0	66.0
Salvage and other misc. sources	80.5	86.5	80.2	76.1	73.2
Liquidation of (additions to) private bullion stocks	30.1	14.0	20.1	(4.6)	(21.2)
Total other supplies	161.8	168.5	169.3	204.8	174.1
Available for World Consumption	432.8	433.5	436.7	451.8	415.6

Note: Figures for 1979 are preliminary. Some of the figures for 1975 through 1978 as published in last year's Review have been revised.

United States Industrial Consumption Of Silver by End Use

(millions of ounces)

	1979	1978	1977	1976	1975
Electroplated ware	9.3	7.3	6.8	9.5	8.7
Sterling ware	14.9	17.9	16.7	19.8	23.7
Jewelry	5.9	6.8	8.1	11.0	12.7
Photographic materials	64.9	64.3	53.7	55.5	46.1
Dental and medical supplies	2.4	2.0	2.2	1.9	1.5
Mirrors	1.9	1.9	2.1	4.6	3.1
Brazing alloys and solders	11.7	11.0	12.4	11.2	13.6
Electrical and electronic products:					
Batteries	5.3	6.0	5.8	3.5	4.3
Contacts and conductors	36.5	30.8	31.3	32.3	27.2
Bearings	.3	.4	.5	.3	.5
Catalysts	8.8	8.2	8.9	12.3	8.8
Coins, medallions and commemorative objects	2.6	2.7	4.2	8.2	7.2
Miscellaneous	1.1	.9	.9	.4	.3
Total Industrial Consumption	165.6	160.2	153.6	170.5	157.7

Note: Based on data from Mineral Industry Surveys for gold and silver, published by Bureau of Mines, United States Department of the Interior.

Imports of Silver Into the United States

(millions of ounces)

	1979	1978	1977	1976	1975
Imported from:					
Canada	27.0	41.9	44.8	40.6	34.3
Mexico	24.0	18.9	20.1	18.4	21.5
Peru	18.0	17.1	15.7	11.3	17.7
Other Western Hemisphere countries	8.0	3.0	1.6	2.9	3.6
Total Western Hemisphere	77.0	80.9	82.2	73.2	77.1
All other countries	11.0	4.7	8.0	15.2	13.2
Total Imports	88.0	85.6	90.2	88.4	90.3

Exports of Silver From the United States

(millions of ounces)

	1979	1978	1977	1976	1975
Exported to:					
Canada	2.9	1.2	.5	.8	3.4
United Kingdom	5.2	6.1	4.1	2.9	19.3
Japan	7.3	7.7	7.9	7.1	2.9
West Germany	.7	2.7	5.8	.2	3.2
Switzerland	5.0	.5	.5	.3	1.2
All other countries	1.9	4.2	3.6	3.3	2.6
Total Exports	23.0	22.4	22.4	14.6	32.6

Note: Figures for 1979 are preliminary. Some of the figures for 1978 as published in last year's Review have been revised.

Silver Quotations

	NEW YORK (Handy & Harman)			LONDON (Daily Fixing)		
	High	Low	Average	High	Low	Average
1979	2800.000¢	596.100¢	1109.378¢	1446.850p	296.400p	508.561p
1978	629.600	482.900	540.089	311.200	250.000	282.203
1977	496.000	430.000	462.302	289.700	246.900	265.538
1976	510.000	381.500	435.346	282.150	189.050	242.420
1975	522.500	391.000	441.852	248.100	167.100	200.115
1974	670.000	327.000	470.798	293.000	141.900	199.898
1973(a) .	328.000	196.200	255.756	140.200	82.900	103.787
1972	204.800	138.700	168.455	86.600	53.800	67.404
1971	175.200	128.800	154.564	72.600	51.000	62.969
1970	193.000	157.200	177.082	192.250d	156.750d	176.876d

(a) The 60 day general price freeze in effect from June 13, 1973, through August 12, 1973, forced intermittent suspension of Handy & Harman's daily quotation during July and August for a total of 22 days.